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C O N F I D E N T I A L SECTION 01 OF 02 BAGHDAD 000573

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E.O. 12958: DECL: 02/26/2018

TAGS: PGOV PREL IZ

SUBJECT: VP ABDEL MEHDI VETOS PROVINCIAL POWERS LAW

REF: BAGHDAD 485 (ADEL MULLING VETO)

Classified By: Ambassador Ryan C. Crocker for reasons 1.4 (b) and (d).

11. (C) Summary: On February 26, Vice President Adel Abdel Mehdi vetoed on constitutional grounds the Provincial Powers Law passed February 13 as part of a three-item package by Iraq's Council of Representatives (CoR). The other two items of the package -- a 2008 GOI budget and an Amnesty bill were not included in the veto and have been signed into law. President Talabani and Vice President al-Hashemi did not join him in the veto. Although Adel stated in his veto explanation letter to the CoR that he wishes to retain a provision of the Provincial Powers bill that sets October 1as the date by which provincial elections must be held, his veto leaves Iraq without statutory authority for an election date. While the veto is defensible on constitutional grounds, it could pose a set-back for Iraq's political progress, particularly if the CoR (which is out of session until March 18) objects to the unraveling of its carefully engineered three-item compromise. It also opens Adel's party, the Islamic Supreme Council of Iraq (ISCI), to allegations by the Sadrists, Prime Minister Maliki's Dawa party, and others that Adel has unjustly overruled legislative intent with the real agenda of delaying provincial polling to save ISCI from electoral defeat. End Summary.

Adel Says No Deal

- 12. (C) Adel's staff informed us that the Vice President, acting in his capacity as a member of the GOI Presidency Council empowered to ratify or reject legislation passed by the CoR within a prescribed period of review, formally notified the CoR in writing on February 26 that he had vetoed the Provincial Powers law, one of the three legislative items passed by the CoR on February 13 as part of an omnibus package. The other members of the Presidency Council -President Talabani and Vice President al-Hashemi -- did not join him in the veto. VP Adel is taking the view (apparently without consultation with CoR leaders, who are out of Baghdad) that the components of the omnibus package are severable for purposes of Presidency Council disposition, and thus the package's other two items -- a 2008 GOI budget and an Amnesty bill -- are not affected by the veto and have been signed into law. Adel issued the veto in spite of USG advice to seek an alternative remedy to address his misgivings about the bill (reftel).
- 13. (C) Adel's letter stated the veto was based primarily on constitutional concerns about a provision of the bill that gives provincial councils and the CoR (by an absolute majority vote and upon the Prime Minister's recommendation) concurrent power to dismiss provincial governors, an issue over which ISCI and Maliki's Dawa party clashed repeatedly without compromise in the run-up to the February 13 CoR vote. Adel lamented to the Ambassador that some ISCI CoR members allowed the Dawa insistence on concurrent powers to prevail

with the assumption that Adel's veto would stand as a fail-safe mechanism. Adel claims that the provision violates Article 115 of the Iraq constitution, which holds that "all powers not stipulated in the exclusive powers of the federal government belong to the authorities of the regions and the governorates that are not organized in a region."

- 14. (C) In recent conversations with the Ambassador and as set forth in his CoR veto letter, Adel maintained that he continues to support and will seek to retain a provision of the bill that sets October 1 as the date by which provincial elections must be held. Haitham al-Husseini, a senior aide to ISCI chairman Abdel Aziz al-Hakim, affirmed this contention and glossed over the almost-certain likelihood of continued Dawa-ISCI friction over the bill by stating that it can be remedied "through minor legal and technical corrections" to bring it into compliance with the constitution.
- 15. (C) In discussions with the Ambassador February 25 and 26, Adel said he understood clearly how strongly we felt about the veto. He stressed that he was taking this step only after very candid thought and consultation that left him convinced that the law violated the constitution. It would serve no purpose to allow a law to pass that would then be overturned by the court. He emphasized that he understood our message and would work intensively to seek changes that would get majority approval when the CoR reconvenes. He said that this would not require a great deal of time -- both the problem and the solution lay within the Shia Alliance.
- $\P6.$ (C) Comment: The impact of the veto remains to be seen. It is unlikely to add to ethnic or sectarian tensions since the law was of primary interest to the Shia. It will deepen

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the rift among the Shia, between Dawa and Sadr on one hand and the Supreme Council on the other. We will need to engage the CoR leadership to insure they do not react in a way that risks the fledgling spirit of compromise developed in the last session. We will also keep the pressure on Adel and Abd al-Aziz Hakim (both as ISCI head and leader of the Shia alliance in the CoR) to develop workable alternatives and then muster the organization in the CoR to get them passed. It will also be key to insure that election preparations carry forward. CROCKER